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Connecticut State Senator Gary Lebeau

Dear Senator Lebeau,

I am writing in regards to General Assembly Raised Bill No. 6525. In particular the provision: "Sec. 9, (New) (*Effective from passage*)" that appears to move the Connecticut Small Business Innovation Research (SBIR) Office back to the Connecticut Center for Advanced Technology (CCAT), has prompted me to write you.

I am hopeful that you will find my comments useful to your deliberations. It is essential that Connecticut not undo 7 years of SBIR progress, but instead, continue on its growth path of becoming the national leader in small business led economic transformation and growth.

My adult life's work has been directed at harnessing and strengthening the United States manufacturing and technology supply chain to meet our nation's security needs and to strengthen our nation's economic vitality. My career has included: 34 years in the US Air Force, raising from the enlisted ranks to general officer; which included 4 years as the Air Force's Director of Supply, and leading the USAF global logistics transformation; 2 years as the Lockheed Martin Aeronautics Company's Director of Global Sustainment for, among others, Lockheed Martin's largest military system, the multi-national Joint Strike Fighter, Lightning II. In 2007 I was recruited to Connecticut to become the Director and Principal Investigator of the multi-state National Aerospace Leadership Initiative (NALI)—the largest Air Force sponsored initiative focused on assuring the success of the manufacturing supply chain and its supporting workforce. As you may not be very familiar with the NALI, the appended comments are meant to provide a brief summary of the multi-year strategy that would be compromised by Section 9 of Bill No. 6525. The essential point is that, under the leadership of Deb Santy the Connecticut SBIR Office led the nation to focus SBIR on manufacturing and best practices for long term, sustained, commercial success.

In 2009, with mixed emotions, I left Connecticut to take a national leadership role in creating the basis for collaborative activities between the national aerospace supply chain (focusing on small to medium sized aerospace manufacturers and service providers), academia, as well as local, state and national government, and our nation's venture capital and commercial investment community.

By virtue of its national prominence and manufacturing focused leadership, your Connecticut SBIR Office has gained credibility as a core element for integrated supply chain success and is a highly regarded participant in this collaborative strategy. As part of this strategy the CT SBIR Office is leading a national initiative "SBIR for Manufacturing" which should bring participation in the first pilots to Connecticut. Of particular note is that the CT SBIR Office team, under its current leadership at CI, has been successful in presenting the state as a resource for leading innovation and entrepreneurship to national audiences. This raises the interest of investors outside the state to consider financial support to

Connecticut winners of Phase I contracts. Additionally, under Deb Santy's leadership, CT SBIR is very well respected by the DoD, especially the US Air Force and US Navy SBIR managers. I have personally seen the strong professional respect these senior defense SBIR decision makers have for the CT SBIR program. They see the SBIR Office at CI as a leadership bench mark among the 50 States. This confidence and these relationships have taken years to cement. In my professional opinion, moving the office back to its incubator roots would set back these important relationships.

If Connecticut retreated from all the forward progress it has made, it would truly be unfortunate. Connecticut SBIR national prominence brings investment, business and jobs to Connecticut. Section 9 of this bill proposes a step of going back to a local technology focused identity that will undermine over seven years of hard won gains which have positioned Connecticut for an even larger participation in the multi-billion dollar federal SBIR program and put at risk the emerging national venture capital focus on global manufacturing competitiveness. Determination, trust and constancy of purpose are highly valued by these entities.

Connecticut is a great state, and has great potential for revitalizing and growing its manufacturing—particularly aerospace manufacturing. SBIR is an important part of that, and given past history, I do not believe moving the SBIR Office is in the best interest of the program or the state. As I came to have some fondness for Connecticut, and that aerospace manufacturing continues to be my primary work, I keep up on some of what is happening in such a vital center of US manufacturing. What I have seen of the Majority Leaders Job Growth Roundtable is very good. I particularly like the tag line for the Agenda for Job Creation and Prosperity: "Reaching for the future, not retreating to the past." In my opinion, distancing the CT SBIR office from the innovative and respected financial investment core capabilities of CI, by moving it back to CCAT, would be a "retreat to the past." The CT SBIR program has "graduated" from its incubator.

Thank you for taking the time to read this letter. And I wish the people and state of Connecticut all the best.

Sincerely,

Robert E. Mansfield, Jr.

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Addendum: NALI SBIR Activities

Addendum Description of Relevant National Aerospace Leadership Initiative Activities

As part of the NALI strategy put in place by my predecessors and me, we focused on moving the Connecticut SBIR office from a state centric initiative, to one of national prominence. This was done to raise awareness of the state's superb, though shrinking, manufacturing base and the innovation talent in Connecticut, as well as bringing venture capital and other investment funds into the state to support SBIR award winners; particularly to create more robust financial support to commercialization that produce jobs. We also recognized that SBIR funds come from federal government agencies that look nationally and for collaboration with national companies, both which may not be aware of individual state strengths. We established a multi-year, progressive effort which included the following:

- 1) Establish and prove-out dynamic activities that would link entrepreneurs with both manufacturers and the prime contractors and national agencies. Under the energetic leadership of Connecticut's SBIR Director, Deb Santy and her team, we were amazingly successful. Connecticut's funding of SBIR, through the Office of Workforce Competitiveness, aligned with the NALI federal investments in manufacturing technologies spurred innovation by creating paths of cross over between biomedical, aerospace, clean energy and information technology. CCAT's setting and role in achieving this initial stage of achievement was noteworthy in being the incubator and launching the SBIR effort. As part of this growth, the SBIR office became a crucial stimulator of linkage for Connecticut's manufacturing activities into prime contractors including P&W, Sikorsky, Hamilton Sundstrand, as well as Boeing, General Electric and others. And under CI, which reduced state funding needs, the interest of firms like Proctor and Gamble and Johnson and Johnson were gained; opening new avenues for SBIR awards from the National Institutes of Health for instance.
- 2) Establish a National Identity of Leadership for Connecticut's SBIR activities. A vital part of our strategy was to achieve competitive advantage for Connecticut by moving local SBIR activities to national prominence. We spent several years in proactive steps which have been validated in a National SBIR award, and bringing of two National SBIR Conferences to Connecticut in three years (an unheard of achievement). There is no question that Connecticut's SBIR activities are seen as a national leader.
- 3) Create the pathway for critical venture capital investment and job growth. By moving SBIR Office activities to Connecticut Innovations and strengthening the national role of Connecticut SBIR in commercial venture capital initiatives we undertook the most critical element for long term success. We needed to move SBIR funded entrepreneurs into the realm of long term commercial success and thus, long term job growth. Connecticut SBIR is recognized as unique on the national level in transcending a federal or state funding dependence to a solid, global business success driven pathway which uses SBIR as a starting point, but recognizing that long term success requires strong commercial vitality and success in the market place. This appears to be taking root.